ALASKA STATE LEGISLATURE SENATE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

April 22, 2021 3:32 p.m.

MEMBERS PRESENT

Senator Shelley Hughes, Chair Senator Robert Myers, Vice Chair Senator David Wilson (via telephonic) Senator Elvi Gray-Jackson

MEMBERS ABSENT

Senator Lyman Hoffman

COMMITTEE CALENDAR

SENATE JOINT RESOLUTION NO. 13

Supporting broadband deployment in the state; recognizing the benefits of broadband; urging facilitation of broadband deployment; urging engagement with stakeholders; urging the United States Congress to include broadband in 2021 federal infrastructure legislation; and urging the Alaska delegation in Congress to advocate for flexible broadband funding parameters.

- MOVED CSSJR 13 (CRA) OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: SJR 13

SHORT TITLE: IMPROVE BROADBAND INTERNET ACCESS

SPONSOR(s): COMMUNITY & REGIONAL AFFAIRS

04/14/21	(S)	READ THE FIRST TIME - REFERRALS
04/14/21	(S)	CRA, L&C
04/22/21	(S)	CRA AT 3:30 PM BELTZ 105 (TSBldg)

WITNESS REGISTER

DAWSON MANN, Staff and Committee Aide Senator Shelley Hughes Alaska State Legislature Juneau, Alaska **POSITION STATEMENT:** Provided a summary of the resolve statements in SJR 13.

RYAN PONDER, Director

Legal, Regulatory and Government Affairs

Matanuska Telephone Association (MTA)

Palmer, Alaska

POSITION STATEMENT: Testified on SJR 13 by invitation.

CHRISTINE O'CONNOR, Executive Director

Alaska Telecom Association

Anchorage, Alaska

POSITION STATEMENT: Testified on SJR 13 by invitation.

LESIL MCGUIRE

OneWeb

Anchorage, Alaska

POSITION STATEMENT: Testified on SJR 13 by invitation.

CHARLES MCKEE, representing self

Anchorage, Alaska

POSITION STATEMENT: Testified off topic during the hearing on SJR 13.

MARGE STONEKING, Associate State Director of Advocacy

AARP Alaska

Anchorage, Alaska

POSITION STATEMENT: Testified in support of SJR 13.

ACTION NARRATIVE

3:32:00 PM

CHAIR SHELLEY HUGHES called the Senate Community and Regional Affairs Standing Committee meeting to order at 3:32 p.m. Present at the call to order were Senators Myers, Wilson (via telephonic) and Chair Hughes. Senator Gray-Jackson arrived soon thereafter.

SJR 13-IMPROVE BROADBAND INTERNET ACCESS

3:32:40 PM

CHAIR HUGHES announced the consideration of SENATE JOINT RESOLUTION NO. 13 Supporting broadband deployment in the state; recognizing the benefits of broadband; urging facilitation of broadband deployment; urging engagement with stakeholders; urging the United States Congress to include broadband in 2021 federal infrastructure legislation; and urging the Alaska

delegation in Congress to advocate for flexible broadband funding parameters.

3:33:36 PM

CHAIR HUGHES advised that the bill was being fast-tracked to take advantage of the existing funding from the American Rescue Plan Act (ARPA) as well as the funding that is expected to come to the state from the forthcoming infrastructure bill. She recounted that there was about \$112 million in ARPA funding, \$400 million to tribes in Alaska from the Consolidated Appropriations Act, and the annual \$150 million from the Alaska Plan for infrastructure. Combined, she said this funding provides an opportunity to improve broadband internet coverage in all areas of the state.

CHAIR HUGHES continued the introduction of SJR 13 paraphrasing the following sponsor statement:

It is well known that in many parts of the state, internet access is scarce at best. In regions such as the unorganized borough, the internet can be extremely limited, slow, and prohibitive in terms of cost. In order for these regions to grow and increase their an economic base is fundamental. Alaska autonomy, certainly faces unique challenges to keep up with the rest of the developed world, considering that our communities are often separated by vast distances and geographical impediments. These facts, combined with winter weather, relatively low business demand in certain areas, and limited daylight hours half the year, are all challenges not only to the initial deployment of services, but to the ongoing operation and maintenance which can entail exorbitant costs.

As internet becomes more readily available in particular regions of the state, we see its benefits in education, healthcare, and commerce. Improved broadband in areas of Alaska where the capacity is now slow and limited could bring us similar benefits. Senate Joint Resolution 13 aims to address the issue of broadband access, speed, capacity, and affordability in the state by urging Congress to include the "information highway" in any forthcoming federal infrastructure legislation, just as roads, bridges, ports, and other projects essential for a functional and vibrant society are included.

Passage of SJR 13 would send a clear message that the legislature firmly supports broadband deployment in the state, recognizes the benefits of broadband, urges engagement with stakeholders throughout Alaska, and requests technology-neutral and flexible funding criteria in federal appropriation legislation to allow for Alaska's unique terrain and size.

CHAIR HUGHES advised that the "whereas" clauses address that technology is foundational for economic development, that broadband was essential during the pandemic and will be during any other type of crisis, that broadband will be needed for ongoing innovation in many sectors, and that between 2017 and 2020, broadband providers have invested more than \$1 billion in Alaska. It is also clear that the need and cost outpaces what the state alone can provide.

3:38:17 PM

DAWSON MANN, Staff and Committee Aide, Senator Shelly Hughes, Alaska State Legislature, Juneau, Alaska, paraphrased a summary of the resolve statements in SJR 13.

First, the legislature supports further broadband deployment and urges the administration to streamline right-of-way and review processes related to broadband.

Second, the legislature urges the administration to avoid unnecessary fees and roadblocks to broadband deployment.

Third, the legislature urges the administration to seek input from broadband providers in the state before making any policy changes related to broadband.

Fourth, the legislature urges the U.S. Congress to include broadband funding in any federal infrastructure plan along with other forms of vital infrastructure.

Fifth, the legislature urges the Alaska delegation in Congress to advocate for flexible broadband funding parameters given the unique challenges in the state.

MR. MANN offered his understanding that the current infrastructure bill sets aside roughly \$100 for broadband. He

also listed the individuals who would receive copies of the resolution.

3:38:57 PM

SENATOR GRAY-JACKSON joined the committee.

3:41:01 PM

CHAIR HUGHES turned to invited testimony.

3:41:29 PM

RYAN PONDER, Director of Legal, Regulatory and Government Affairs, Matanuska Telephone Association (MTA), Palmer, Alaska, stated that MTA is a nonprofit cooperative that is focused on serving the needs of the company's owners, who are also its member customers. He said it is clear that if adopted and implemented, SJR 13 will help MTA's customers stay connected into the future. The resolution accurately portrays the lifeline that broadband has become to society. The resolves make it clear that the Alaska State Legislature would support the widespread deployment of broadband by removing state-imposed right-of-way and permitting roadblocks. He noted that these have delayed deployment of MTA's broadband projects. He highlighted that the further resolves would help future-proof the way Alaskans stay connected. He stated support for SJR 13 on behalf of MTA.

3:43:56 PM

CHRISTINE O'CONNOR, Executive Director, Alaska Association, Anchorage, Alaska, stated that as a lifelong Alaskan, she knows that broadband is a game changer and she is committed to finding ways to get broadband to all Alaskans. She ATA's member companies emphasized that are committed improving and extending Alaska's broadband networks. confirmed the earlier statement that these companies have invested more than \$1.2 billion in upgrades and deployment since 2017. She said the important findings and urgings in SJR 13 will result in more broadband access for Alaskans. Resolving to avoid unnecessary fees and roadblocks can make projects viable and facilitate the deployment of more broadband. She emphasized that engaging with stakeholders is critical to identify effective policies that will encourage and support the deployment of broadband networks. Furthermore, urging Congress to dedicate funding for broadband infrastructure that recognizes the unique needs in Alaska sends a powerful message that likely will result in further expansion of broadband.

3:46:38 PM

LESIL MCGUIRE, OneWeb, Anchorage, Alaska, stated that OneWeb is the first LEO (low-earth-orbit) spatial constellation project licensed and committed to broadband coverage over the entire state of Alaska. She said the launch in May will complete this coverage. On behalf of OneWeb, she stated support for SJR 13 and lauded the committee for its leadership and focus on rural broadband. She listed the important findings in the resolution and expressed a commitment to work cooperatively to further broadband in Alaska.

3:48:33 PM

CHAIR HUGHES asked if LEO refers to low-earth-orbit.

MS. MCGUIRE said yes and added that these constellations orbit 1,200 kilometers or less from the earth and thus have better latency.

3:49:22 PM

CHAIR HUGHES asked if the older geospatial satellites orbit 75,000 miles above the earth.

MS. MCGUIRE answered yes, they are 32,000 to 35,000 kilometers from the earth. She noted that the constellation of satellites was now the size of a washing machine as opposed to a school bus and when in polar orbit would cover the entire state.

3:50:19 PM

CHAIR HUGHES offered her understanding that some satellites are the size of a basketball.

MS. MCGUIRE agreed.

3:51:12 PM

At ease

3:51:29 PM

CHAIR HUGHES reconvened the meeting and noted that Senator Myers had an amendment.

3:51:35 PM

SENATOR MYERS moved to adopt Amendment 1, work order 32-LS0756\B.1.

32-LS0756\B.1 Klein 4/19/21

AMENDMENT 1

OFFERED IN THE SENATE
TO: SJR 13

BY SENATOR MYERS

Page 1, line 4, following "legislation;":

Insert "urging broadband providers to use savings from federal infrastructure legislation to provide broadband service at a reduced rate to the state and its political subdivisions;"

Page 2, following line 24:

Insert new material to read:

"FURTHER RESOLVED the Alaska that Legislature urges broadband providers to use savings federal infrastructure legislation appropriates public funds for the installation or improvement of privately owned broadband infrastructure to provide broadband service at reduced rate to the state and its political subdivisions; and be it"

3:51:40 PM

CHAIR HUGHES objected for discussion purposes.

3:51:43 PM

SENATOR MYERS explained that the purpose of Amendment 1 is to ensure that the state sees a direct return for the public money that is expended on privately owned infrastructure. The amendment asks the companies that benefit from this public money to offer reduced rates to the state, municipalities, and perhaps the federal government where applicable.

CHAIR HUGHES commented that she believes that the return on investment happens naturally, but it is important to make it clear. She noted that some of these providers are private companies and some are cooperatives.

3:53:55 PM

SENATOR GRAY-JACKSON asked for assurance that consumers that do not have agreements with providers are not subjected to too much pressure. She cited the example of the pressure GCI places on consumers that do not have agreements.

3:54:36 PM

SENATOR WILSON stated that he had the same concerns as Senator Gray-Jackson.

3:54:51 PM

CHAIR HUGHES removed her objection; finding no further objection, Amendment 1 was adopted.

3:55:09 PM

CHAIR HUGHES moved to adopt Amendment 2, work order 32-LS0756\B.2.

32-LS0756\B.2 Klein 4/21/21

AMENDMENT 2

OFFERED IN THE SENATE TO: SJR 13

BY SENATOR HUGHES

Page 2, line 19:

Following "from":

Insert "all stakeholders, including"

Following "providers":

Insert ","

3:55:18 PM

SENATOR MYERS objected for discussion purposes.

3:55:24 PM

CHAIR HUGHES explained that the purpose of Amendment 2 is to ensure that all stakeholders and different types of technology providers will be engaged in the process and part of the discussion.

3:56:03 PM

SENATOR MYERS removed his objection to Amendment 2.

3:56:11 PM

CHAIR HUGHES found no further objection and Amendment 2 was adopted.

3:56:19 PM

CHAIR HUGHES moved to adopt Amendment 3, work order 32-LS0756\B.3.

32-LS0756\B.3 Klein 4/21/21

AMENDMENT 3

OFFERED IN THE SENATE
TO: SJR 13

BY SENATOR HUGHES

Page 1, line 2, following "stakeholders;":

Insert "urging the development of a centralized, technology-neutral broadband and internet access entity in the state;"

Page 2, following line 20:

Insert new material to read:

"FURTHER RESOLVED that the Alaska State Legislature urges the Governor's administration to create a centralized, technology-neutral broadband and internet access entity to provide all Alaskans an equal seat at the table; and be it"

3:56:23 PM

SENATOR MYERS objected for discussion purposes.

3:56:25 PM

CHAIR HUGHES explained that she had Amendment [3], B.3 drafted after discussion with stakeholders. It seeks to ensure that a technology-neutral broadband and internet access entity exists within the state. She said close to \$1 billion could come into the state to expand broadband and she believes that it is important to have some kind of working group as the central point of contact. She highlighted that when the unmanned systems taskforce started, there was no entity in the state for people to check to see what they could do with unmanned aerial systems and by default, her office became the point of contact.

3:57:52 PM

SENATOR MYERS commented that when unmanned aerial systems came into vogue in the civilian market, it made sense to figure out how to integrate them because of the likelihood of interfering

with traditional aircraft. He pointed out that, except for satellites that are handled at the federal level, this was not new technology. He asked what needed to be coordinated in an office because the bill was about expanding what already exists.

3:58:52 PM

CHAIR HUGHES said she envisioned a work group for a limited time, not an office for the long term. She related that the task force for unmanned aerial systems existed three or four years. She pointed out that there is new technology with the LEOs and the amendment is an opportunity to keep everyone communicating and working together to get statewide coverage. She suggested he conceptually amend Amendment 3 to clarify the intention that the work group would be temporary.

3:59:56 PM

SENATOR MYERS moved Conceptual Amendment 1 to Amendment 3. Insert "temporary" between "a" and "centralized" on [page 1, line 3].

4:00:26 PM

CHAIR HUGHES objected for discussion purposes. Finding no comments or questions, she removed her objection.

4:00:48 PM

CHAIR HUGHES announced that without further objection, Conceptual Amendment 1 to Amendment 3 was adopted.

4:01:01 PM

At ease

4:01:41 PM

CHAIR HUGHES reconvened the meeting and moved Conceptual Amendment 2 to Amendment 3. Delete "entity" and insert "working group". [No page or line number was identified.]

4:01:58 PM

SENATOR MYERS objected for discussion purposes.

CHAIR HUGHES found no comments or questions.

4:02:06 PM

SENATOR MYERS removed his objection.

4:02:15 PM

CHAIR HUGHES announced that without further objection, Conceptual Amendment 2 to Amendment 3 was adopted.

CHAIR HUGHES asked Senator Myers if he maintained his objection to Amendment 3.

4:02:48 PM

SENATOR MYERS removed his objection to Amendment 3.

4:02:54 PM

CHAIR HUGHES announced that without further objection Amendment 3, as amended, was adopted.

4:03:09 PM

CHAIR HUGHES opened public testimony on SJR 13.

4:03:34 PM

CHARLES MCKEE, representing self, Anchorage, Alaska, mentioned the written material he submitted indicating that Lewis T. McFadden initiated HJR -federal- which established the Social Security agency. He drew a parallel to that and SJR 13 because public money was mentioned.

4:05:58 PM

CHAIR HUGHES asked him to speak to SJR 13.

MR. MCKEE answered that he was talking about public money and that he wanted \$80 million restitution to remedy the harm done to him through municipal and state action.

CHAIR HUGHES asked for his closing statement.

MR. MCKEE stated that based on information he submitted and the gospel, his constitutional rights were being violated.

4:07:45 PM

MARGE STONEKING, Associate State Director of Advocacy, AARP Alaska, Anchorage, Alaska, stated that AARP supports most of the goals of SJR 13 but urges including consumers in addition to providers in the process of determining how to reduce the digital divide in Alaska. She related that AARP works on issues that matter to elders and their families, which includes access to broadband. She said this can benefit all segments of society, but for elders it makes aging in place possible. Reliable high speed internet service provides access to telehealth, civic engagement, entrepreneurism, teleworking, connection to friends and family, educational opportunities, and vital assistance

programs. She said that AARP urges the legislature to create a state broadband office at DCEED or the Denali Commission as recommended in the 2019 blueprint. She highlighted that no entity has been designated to oversee the implementation of the plan to continue engagement with stakeholders and ensure equity and accountability in federal funding decisions. A dedicated broadband office will help policymakers bring digital equity to all Alaskans.

CHAIR HUGHES noted that the amendments the committee adopted ensure that all Alaskan have a seat at the table and expressed appreciation for AARP's support for the resolution.

4:11:31 PM

CHAIR HUGHES closed public testimony on SJR 13.

4:11:36 PM

At ease

4:12:16 PM

CHAIR HUGHES reconvened the meeting and noted that Senator Gray-Jackson had a conceptual amendment to offer.

4:12:38 PM

SENATOR GRAY-JACKSON moved to adopt Conceptual Amendment 1 to SJR 13.

CONCEPTUAL AMENDMENT 1

4:12:49 PM

CHAIR HUGHES objected for discussion purposes.

4:12:55 PM

SENATOR GRAY-JACKSON said the testimony from Ms. Stoneking was compelling; consumers should be specifically included in the resolution.

CHAIR HUGHES stated support for the amendment.

4:13:29 PM

SENATOR MYERS noted that Amendment 2 added "all stakeholders" and questioned whether that term was broad enough to cover all consumers.

4:13:49 PM

SENATOR GRAY-JACKSON offered her belief that adding the word "consumers" added clarity.

4:14:04 PM

CHAIR HUGHES read the line with the proposed conceptual amendment: "...to engage with and seek input from all stakeholders including broadband providers and consumers in the state..." She commented that it works nicely.

4:14:26 PM

CHAIR HUGHES removed her objection to Conceptual Amendment 1. Finding no further objection, Conceptual Amendment 1 was adopted.

She solicited the will of the committee.

4:15:11 PM

SENATOR MYERS moved to report SJR 13, work order 32-LS0756\B as amended, from committee with individual recommendations and attached fiscal note(s).

4:15:19 PM

At ease

4:15:35 PM

CHAIR HUGHES reconvened the meeting and made committee announcements.

4:16:19 PM

At ease

4:16:33 PM

CHAIR HUGHES reconvened the meeting and announced that without objection, CSSJR 13(CRA) moved from Senate Community and Regional Affairs Standing Committee.

4:16:55 PM

There being no further business to come before the committee, Chair Hughes adjourned the Senate Community and Regional Affairs Standing Committee meeting at $4:16~\rm p.m.$